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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/679,083	10/04/2000	Robert Bernstein	79540	7763

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WELSH & KATZ, LTD  
120 S RIVERSIDE PLAZA  
22ND FLOOR  
CHICAGO, IL 60606

EXAMINER

POINVIL, FRANTZY

ART UNIT PAPER NUMBER

3628

DATE MAILED: 07/27/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/679,083

Applicant(s)

BERNSTEIN, ROBERT

Examiner

Frantzy Poinvil

Art Unit

3628

*MW*

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 22 March 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-27 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-27 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                        | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 103***

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Taricani, Jr (US Patent No. 6,347,304) in view of Davis et al (US Patent No. 6,078,898).

As per claims 1, Taricani Jr, discloses a computer-programmed system for recovering tax revenue. The system comprises:

Transferring a summary of the transaction from a seller of the transaction to a secure database (column 8, lines 27-45 and column 12, lines 20-30);

Identifying a subject of the transaction (column 9, lines 20-33);

Taricani Jr does not explicitly teach transferring a summary of the transaction from a buyer of the transaction to the secure database. Davis et al disclose a system for collecting taxes made on a transaction. Users of the system of Davis et al use a portable storage device denoted as SSDD 5 for accumulating transactions. Transaction summaries are transmitted to a network of computers and or a tax server for determining a tax rate. Note column 6, lines 5-8 and lines 16-18 of Davis et al. Applicant is also referred to column 7, lines 8-37 and 55-61 of Davis et al.

As per the step of determining a local of the buyer and the seller to the transaction see (column 6, lines 55-63; column 7, lines 23-29 of Taricani, Jr. and ;column 2, lines 45-49, column 6, lines 44-49 of Davis et al.).

Calculating a tax due based upon the identified matter and determined local of the buyer and seller (column 3, lines 45-52, column 7, lines 18-29 of Taricani Jr and column 5, lines 20-22, column 6, lines 5-9 and column 10, lines 1-2 of Davis et al.

It would have been obvious to one of ordinary skill in the art to incorporate the teachings of Davis et al into the teachings of Taricani Jr. in order to have the recorded transactions from both buyers and sellers so as to compare the two records in order to ascertain whether or not a tax was paid by the buyer and the collected revenue was not transmitted by the seller. In so doing, the taxing authority would have easily recognized which party to bill and or the correct amount to bill the appropriate party.

As per claim 2, Taricani Jr discloses transferring the summary by coupling to a third party using T1 or T3 lines. Note figure 3 and column 8, lines 33-45 and column 5, lines 14-28 of Taricani Jr. Applicant is also referred to column 2, lines 58-60 of Davis et al.

As per claim 3, Davis et al. disclose the summary includes an identifier of the buyer and seller in the summary transferred from the buyer. Note column 6, lines 51-61 of Davis et al. The seller ID would have been presented in the transaction receipt or summary because the buyer pays the transaction amount to the seller.

As per claim 4, Taricani Jr. further discloses including an identifier of the buyer and seller in the summary transferred from the seller. Note column 4, lines 24-29 and column 9, lines 20-42 of Taricani Jr.

As per claims 6 and 7, the summary of the transaction would have included a zipcode of both buyers and sellers since the combined teachings of Taricani Jr. and Davis et al include out of state sellers and performing interstate transactions. See column 6, lines 44-49 and column 2, lines 45-49 of Davis et al. and column 8, lines 9-13 of Taricani Jr. and column 6, lines 44-49 of Davis et al.

As per claim 8, correlating the zipcode of the buyer and the zipcode of the seller to respective locals through look-up table would have been obvious to one of ordinary skill in the art in the combination of Taricani Jr. and Davis et al in order to note where the transactions take place and which tax jurisdictions or authorities are entitled to the collected tax revenue.

As per claim 9, taxes are usually due quarterly, semi-annually or annually as determined by a plurality of taxing authorities. Forwarding from the third party to the seller a quarterly summary of calculated taxes due from the seller would have been obvious to one of ordinary skill in the art in the combination of Taricani Jr. and Davis et al in order to remind sellers of their obligation to pay the required taxes involving a sales or financial transaction.

Claims 10-18 and 19-27 contain limitations recited in respective claims 1-9 and they are likewise rejected. Furthermore, claims 10-18 and 19-27 are apparatus claims reciting means or computer subsystems for performing recited in respective claims 1-9. It should be noted that the combination of Taricani Jr. and Davis et al is directed toward a computer system for recovering taxes and comprises means and an apparatus having a plurality of devices connected over a network for performing the functions recited in claims 1-9.

## **RESPONSE TO THE ARGUMENTS:**

2. Applicant's representative has argued that "Taricani, Jr. functions to require sellers to make information available or to require sellers to download such information to a central data warehouse which can then be accessed by the network computer". Applicant then argues that Taricani, Jr. does not teach a central processing unit of the seller.

In response, the Examiner respectfully disagrees with the applicant's assertion. Taricani, Jr. teaches collecting sales data at a point of sales or data terminal and generating a database 2 of untaxed sales data. Note column 5, lines 55-62 and column 8, lines 27-45. Taricani, Jr. then teaches transmitting these untaxed sales data to a network computer 1. The claimed secure database is similar to the network computer 1 of Taricani, Jr. The central processing unit of the seller functions in a similar manner as the claimed database of Taricani Jr. which collects sales data. Thus, Taricani, Jr. teaches composing a summary of the transaction within a central processing unit of a seller of the transaction and transfers such to a secure database.

Taricani, Jr. further teaches comparing received sales data from the seller and determines whether a buyer has paid the sales taxes on a particular transaction. Note column 6, lines 8-35.

Taricani, Jr. does not explicitly teach “composing a summary of the transaction within a central processing of the buyer and transfers such to the database. However, Taricani, Jr. teaches comparing sellers sales transaction data with data obtained from a taxing authority to determine whether sales taxes were paid on a particular transaction. Note column 6, lines 14-25 of Taricani, Jr. Taricani, Jr. also teaches the collected sales relate to a purchaser. See column 8, lines 9-12 and that during auditing a tax due notice may be sent to the purchaser. Note column 7, lines 3-6.

Taricani, Jr. teaches that the financial transactions may be performed via a network such as the Internet. Thus, a computer of the user would have obtained a record of the transaction. Transmitting such to the network computer is not explicitly taught by Taricani, Jr. However, Taricani, Jr teaches that purchaser’s sales transaction records are obtained and stored in the central computer. See column 9, lines 19-43 of Taricani, Jr.

Davis et al teach system and method of transactional taxation for storing purchaser-specific data. Davis teaches the use of a portable storage device for accumulating financial transactions. Collected tax data on a particular transaction are sent to a tax server. Note column 6, lines 6-49 of Davis et al.

It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings of Davis et al into Taricani, Jr. in order to collect buyers’ transaction data with sellers’ transaction data for comparison purposes so as to assure a buyer or seller pays the related taxes to the proper taxing authority.

Applicant's representative then argues that Taricani, Jr. and Davis et al are not combinable since each provides a complete solution to tax collection.

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). Taricani, Jr. as noted above does not explicitly teach a buyer transmitting transaction data to the secure database. Transaction data containing certain information related to the buyer are collected from the seller and transmitted to the secure database. Davis et al teach the deficiency noted in Taricani, Jr. and has been applied to show teachings of a buyer transmitting transaction data to a remote database for proper taxing of a transaction. Thus, the references are combined for this reason and as noted above.

### ***Conclusion***

3. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not



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mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday.

The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

FRANTZY POINVIL  
PRIMARY EXAMINER

FP

July 24, 2004

*Flou*